

INTRODUCED BY: Councilmember Steve McMahon

DATE: May 13, 2024

BILL NO. 9537

ORDINANCE NO. 7350

AN ORDINANCE APPROVING A PETITION FOR THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT; ESTABLISHING THE 711 AND 717 KINGSLAND COMMUNITY IMPROVEMENT DISTRICT AS A POLITICAL SUBDIVISION OF THE STATE OF MISSOURI; AND DIRECTING THE CITY CLERK TO NOTIFY THE MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT OF THE CREATION OF THE DISTRICT.

WHEREAS, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “CID Act”) authorize the governing body of any municipality, upon a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district; and

WHEREAS, a “Petition for the Creation of a Community Improvement District,” a copy of which is set forth as **Exhibit A**, attached hereto and incorporated herein by reference (the “CID Petition”), was submitted to the City requesting the formation of the 711 and 717 Kingsland Community Improvement District (the “District”) on approximately 1.65 acres of property located at 711 and 717 Kingsland Avenue in the City; and

WHEREAS, the City Clerk verified that the CID Petition is proper and complies with the CID Act; and

WHEREAS, the City Council held a duly-noticed public hearing on May 13, 2024, at which all persons interested in the formation of the District were allowed an opportunity to speak and at which time the City Council heard all protests and received all endorsements; and

WHEREAS, the City Council finds that notice of the establishment of the District has been duly given and the public hearing thereon has been held in which all reasonable protests, objections and endorsements have been heard, all in accordance with Section 67.1431 of the CID Act; and

WHEREAS, the City Council further finds that the petition to form the District is proper in that it meets all of the requirements of Section 67.1421 of the CID Act;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. The 711 and 717 Kingsland Community Improvement District is hereby established within the City as a political subdivision of the State of Missouri having the powers and purposes set forth in the CID Petition. The District shall include the contiguous tracts of real estate described in **Exhibit A** of the CID Petition. Subject to further approvals by the District and its qualified voters, the District is authorized to impose a sales and use tax, as described in the CID Petition.

Section 2. The term of the existence of the District shall begin on the effective date of this Ordinance. The District shall commence the procedures for terminating the District under the CID Act upon the earlier of (a) the redemption in full of all of the obligations issued to finance or refinance the CID Project described in the CID Petition in accordance with the CID Act or (b) twenty-seven (27) years from the effective date of this Ordinance.

Section 3. The District shall be governed by a board of directors consisting of five (5) members hereafter appointed by the Mayor with the consent of the City Council in accordance with the CID Act, subject to the qualifications set forth in the CID Petition. The initial members of the District's board of directors are hereby appointed as follows:

Name	Initial Term
Rodney Thomas	2 years
Gene Manis	2 years
Gregory Rose	2 years
Keith Cole	4 years
Matt Towerman	4 years

Successor members of the District's board of directors shall be appointed for four-year terms.

Section 4. The City Clerk is hereby directed to prepare and file with the Missouri Department of Economic Development the report specified in Section 67.1421.6 of the CID Act.

Section 5. The officers of the City are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions to the documents herein approved, authorized and confirmed which they may approve, and the execution of such action shall be conclusive evidence of such necessity or advisability. All actions taken to date by the officers of the City with respect to the CID Petition and the District, including, without limitation, the provision of notices for the public hearing regarding the creation of the District, are hereby ratified.

Section 6. It is hereby declared to be the intention of the City Council that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the City Council intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

PASSED and APPROVED THIS 28th DAY OF MAY, 2024.



MAYOR

(Seal)

ATTEST:



CITY CLERK

CERTIFIED TO BE CORRECT AS TO FORM:



CITY ATTORNEY

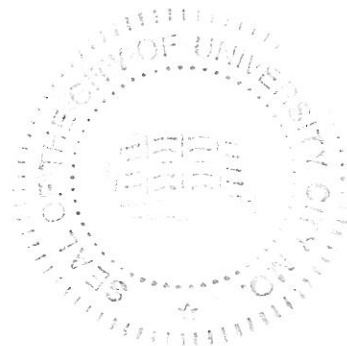


EXHIBIT A

CID PETITION

[On file in the Office of the City Clerk]

**AMENDED AND RESTATED PETITION FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT**

To the City of University City, Missouri:

The undersigned petitioner (the “**Petitioner**”) is the owner or representative of the owners of record of more than fifty percent (50%) (a) by assessed value of all real property within the hereinafter described community improvement district, and (b) per capita of all owners of real property within the hereinafter described community improvement district. Petitioner hereby petitions and requests that the City of University City, Missouri (the “**City**”), create a community improvement district as described herein, to be known as **711 AND 717 KINGSLAND COMMUNITY IMPROVEMENT DISTRICT** (the “**District**”), pursuant to the authority of the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “**CID Act**”).

1. The proposed District is contiguous and located entirely within the City.
2. A legal description of the proposed District is set forth as Exhibit A, attached hereto and incorporated herein by reference. A map illustrating the boundaries of the proposed District is set forth as Exhibit B, attached hereto and incorporated herein by reference.
3. The name of the proposed District is the 711 and 717 Kingsland Community Improvement District.
4. The proposed District consists of approximately 1.65 acres of land, as more particularly described in Exhibit A and Exhibit B, attached hereto and incorporated by reference herein.
5. The proposed District consists of approximately 1.65 acres and all real property located within the proposed District has a total current assessed value of \$620,800.
6. The Petitioner represents 100% per capita of all owners of the real property located within the boundaries of the District, and 100% of all real property within the boundaries of the proposed District by assessed value, as more particularly described in the signature block of the Petitioner and as follows:

<u>Owner</u>	<u>Location</u>	<u>Parcel Identification Number</u>	<u>Acres</u>	<u>Assessed Value</u>
<i>DELMAR HARVARD LLC</i>	711 Kingsland Ave.	18J621308	0.92	\$321,790
<i>DELMAR HARVARD LLC</i>	717 Kingsland Ave.	18J621298	0.73	\$299,010

7. The Petitioner is not seeking a determination that the proposed District, or any legally described portion thereof, is a blighted area.
8. The proposed District shall be formed as a political subdivision governed by a board of directors composed of five directors appointed by the Mayor of the City, with the consent of the

City Council. Each director shall, during his or her term, meet the qualifications of Section 67.1451.2 of the CID Act, provided that two of the directors shall be designated by the City Manager and at least one of those two directors shall meet the requirements of Section 67.1451.2(3) of the CID Act. In addition, so long as Delmar Harvard LLC owns any real property within the District, three of the five directors shall be legally authorized representatives of Delmar Harvard LLC. Successor directors shall be appointed in the same manner. Successor directors shall serve for a term of four years.

9. The initial directors and their respective terms of office shall be as follows:

Name	Initial Term
Rodney Thomas	2 years
Gene Manis	2 years
Gregory Rose	2 years
Keith Cole	4 years
Matt Towerman	4 years

10. Petitioner does not seek limitations on the borrowing capacity of the District.

11. Petitioner does not seek limitations on the revenue generation of the District.

12. The District shall have all powers provided in the CID Act, except as otherwise provided in this Petition.

13. The proposed District may, upon approval by the qualified voters of the District, impose a sales and use tax at a rate of up to one percent (1%) (the “**Sales Tax**”) on all eligible retail sales made in the proposed District in accordance with Section 67.1545 of the CID Act, for the duration permitted by the CID Act.

14. Notwithstanding anything in the CID Act or this Petition to the contrary, the proposed District shall have no power to levy a special assessment.

15. The Petitioner does not intend to submit real property taxes or business license taxes to the qualified voters for approval and, therefore, the maximum rates of real property taxes and business license taxes proposed in this Petition are zero.

16. A five-year plan stating a description of the purposes of the proposed District, the services it will provide, the improvements it will make (as further described in the five-year plan, the “**CID Project**”), an estimate of costs of these services and improvements to be incurred, the anticipated sources of funds to pay the costs and the anticipated term of the sources of funds to pay the costs, is set forth in Exhibit C, attached hereto and incorporated herein by reference. It is anticipated that the District will use the CID Revenues to finance and reimburse those eligible CID Project costs incurred on its behalf.

17. The estimated cost of the CID Project is \$1,357,361 (excluding costs of financing, underwriters’ fees and discounts, costs of printing any notes, bonds or other obligations and any official statements relating thereto, costs of credit enhancement, if any, interest, capitalized interest, debt service reserves and the fees of any rating agency, placement fees, or other costs of

issuance of any obligations issued by the proposed District), as further defined in Exhibit C, attached hereto and incorporated herein by reference.

18. The term of the District shall be from the date of establishment by the City until all of the obligations that the District issues to finance and reimburse all of the eligible CID Project costs incurred within the boundaries of the District have been fully redeemed in accordance with the terms of the CID Act, provided that the term of the District shall in no event be longer than 27 years.

19. The signatures of the signers to this Petition may not be withdrawn later than seven days after this Petition is filed with the City Clerk.

20. Petitioner respectfully requests that the proposed District be established pursuant to the CID Act.

Dated this 9th day of May, 2024.

PETITIONER:

NAME OF OWNER: DELMAR HARVARD LLC

TELEPHONE NUMBER: (314) 292-5317

MAILING ADDRESS: 12647 Olive Blvd, Suite 510
Creve Coeur, MO 64141

NAME OF SIGNER: Rodney H. Thomas
BASIS OF LEGAL AUTHORITY TO SIGN: Principal
SIGNER'S TELEPHONE NUMBER: (314) 852-7000
SIGNER'S MAILING ADDRESS: 12647 Olive Blvd, Suite 510
Creve Coeur, MO 64141

TYPE OF ENTITY: Missouri Limited Liability Company

MAP: See Exhibit B

PARCEL IDENTIFICATION NUMBER: Parcel No. 18J621308 and 18J621298

ASSESSED VALUE: \$620,800

By executing this Petition on this 9th day of May, 2024, the undersigned represents and warrants that he or she is authorized to execute this Petition on behalf of the property owner named immediately above.

By: *Rodney H. Thomas*
Rodney H. Thomas, Principal

STATE OF MISSOURI)
) ss.
COUNTY OF ST. LOUIS)

Before me personally appeared Rodney H. Thomas, to me personally known to be the individual described in and who executed the foregoing instrument.

WITNESS my hand and official seal this 9th day of May, 2024.

Marcia E. Engelhard
Notary Public

My Commission Expires: 1/5/2025

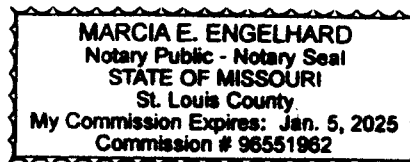


EXHIBIT A

Legal Description of Proposed District

LOT 1

Part of Lot 9 of Eliza Clemens Estate Subdivision, a subdivision according to the plat thereof as recorded in Plat Book 2 page 42 and Lots 5 through 6 and part of Lots 4 and 9 of Block 1 of University Heights a Subdivision according to the plat thereof recorded in Plat Book 6 page 14 of the St. Louis County Records located In U.S. Survey 378, Township 45 North, Range 6 East of the Fifth Principal Meridian, University City, St. Louis County, Missouri being more particularly described as follows:

Beginning at the northeast corner of a tract of land as conveyed to the City of University City by instrument recorded in Book 6333, Page 2313 of above said records, said point also being located on the west line of Kingsland Avenue, 80 feet wide, thence along the north line of said City of University City tract; North 89 degrees 45 minutes 45 seconds West, 156.50 feet thence departing said south line North 00 degrees 00 minutes 00 seconds East, 255.52 feet to the south line of a tract of land as conveyed to Washington University by instrument recorded in Book 11923, Page 041 of above said records; thence along said south line, South 89 degrees 45 minutes 44 seconds East, 136.50 feet to the southeast corner thereof, also being located on the west right-of-way line of above said Kingsland Avenue; thence along said west right-of-way line, South 00 degrees 14 minutes 16 seconds West, 254.90 feet to the POINT OF BEGINNING.

Containing 40,033 square feet or 0.919 acres, more or less

LOT 2

A tract of land being part of Lots 4 and 9 and Lots 5 thru 8 of block 1 of University Heights, as recorded in Plat Book 6, Page 14 and part of Lot 9 of Eliza Clemens Estate Subdivision as recorded in Plat Book 2, Page 42 of the St. Louis County Records, located in U.S. Survey 378, Township 45 North, Range 6 East of the Fifth Principal Meridian, University City, St. Louis County, Missouri, more particularly described as follows:

Commencing at the northeast corner of attract of land as conveyed to the City of University City by instrument recorded in Book 6333, Page 2313 of above said records, said point also being located on the west right-of-way line of Kingsland Avenue, 80 feet wide; thence along the north line of said City of University City tract, North 89 degrees 45 minutes 45 seconds West, 156.50 feet to the POINT OF BEGINNING of the herein described tract; thence continuing along last said north line, North 89 degrees 45 minutes 45 seconds West, 123.97 feet to east right-of-way line of Sgt. Mike King Drive, 50 feet wide; thence along said right-of-way line and the east line of a tract of land as conveyed to the City of University City by instrument recorded in Book 6290, Page 1393, North 00 degrees 14 minutes 16 seconds East, 259.12 feet to the south line of a tract of land as conveyed to Washington University by instrument recorded in Book 11923, Page 041 of above said records; thence along said south line, South 88 degrees 05 minutes 02 seconds East, 144.03 feet; then departing said north line, South 00 degrees 00 minutes 00 seconds West, 255.52 feet to the POINT OF BEGINNING

Containing 31,763 square feet or 0.729 acres, more or less.

EXHIBIT B

Boundary Map of the Proposed District



EXHIBIT C
FIVE YEAR PLAN
711 AND 717 KINGSLAND
COMMUNITY IMPROVEMENT DISTRICT
DATED: April 15, 2024

Introduction

Delmar Harvard LLC (the “*Petitioner*”) proposes to create the 711 and 717 Kingsland Community Improvement District (the “*District*”) pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended, (the “*CID Act*”). Section 67.1421 of the CID Act requires that the petition for the creation of the District be accompanied by a five-year plan which includes a description of the purposes of the proposed District, the services it will provide, the improvements it will make and an estimate of the costs of these services and improvements to be incurred. This Five-Year Plan (the “*Plan*”) is presented in order to comply with the statutory requirement referenced above.

Generally, a community improvement district is a statutory tool a municipality may implement in order to allow a specific area or section of the municipality to fund (either in part or in whole) certain improvements and services within certain defined boundaries by securing a portion of the area’s own economic activity.

This Plan contains the following: (A) a description of the location and formation of the proposed District; (B) a description of the anticipated District revenues over a five-year period; (C) a summary of the improvements and services to be provided by the District over a five-year period; (D) an estimate of costs of the services and improvements to be incurred over a five-year period (including, without limitation, the anticipated sources of funds to pay the costs and the terms of term of the sources used to pay the costs); and (E) an anticipated schedule for the District’s improvements, activities and services over a five-year period. This Plan is an integral and composite part of the Petition for the Creation of a Community Improvement District to which it is attached.

A. District Location and Formation

The proposed District consists of approximately 1.65 acres of land located at 711 and 717 Kingsland Avenue in the City of University City, Missouri (the “*City*”). The proposed District is contiguous.

The District is proposed to be a political subdivision of the State of Missouri. The District, pursuant to the CID Act, is empowered to provide a variety of public services and to finance a number of different public improvements within its boundaries, which services and improvements will be paid for from revenues from taxes imposed within its boundaries.

B. District Revenues

The District is proposed to raise revenues by imposing an additional sales and use tax (the “*District Sales Tax*”) at the rate of one percent (1%) on all taxable retail sales within its boundaries which are subject to taxation pursuant to Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as

amended, except sales of motor vehicles, trailers, boats or outboard motors and sales to or by public utilities and providers of communications, cable or video services and such other exclusions as may be applicable under Missouri law. The imposition of the District Sales Tax is subject to approval by the qualified voters within the District. To the extent that there are no registered voters within the District, the CID Act provides that the qualified voters are the owners of one or more parcels of real property located within the District per the county tax records as of the thirtieth day before the date of the applicable election. Once the District is established by ordinance of the City, the District’s Board of Directors will submit the question of whether it shall be authorized to impose the District Sales Tax to the qualified voters for approval.

C. Summary of Improvements and Services to be Provided

The purpose of the proposed District is to provide assistance to or to construct, reconstruct, install, repair, maintain, and equip certain public improvements within its boundaries, and to support business activity and economic development in the District and to provide services and activities as allowed under Section 67.1461 of the CID Act. The District will impose the District Sales Tax to finance and administer these improvements and services as provided under the CID Act.

To fund any or all of its activities in connection with the exercise of any of the above or any other powers of the District under Section 67.1461 of the CID Act, the District may borrow money from any public or private source and issue obligations and provide security for repayment of the same as provided in the CID Act.

Specifically, the District is proposed to provide funding for various public improvements (as further described below) within the District boundaries, which public improvements are anticipated to be made in connection with the development, operation and maintenance of a new hotel within the District (together with any related public improvements, activities or services outlined in this Section C., the “*CID Project*”). The estimated cost of the CID Project is \$1,357,361, as described below:

Item	Amount*
Site Work (saw cutting, storm water pollution prevention, demolition of asphalt/hardscape/utilities, tree removal/protection, cut and fill, grading)	\$18,505
Utility Work (sanitary, storm sewer, water)	<u>\$254,260</u>
Construction of Public Improvements (asphalt paving, concrete paving, street patching, curb & gutter, parking lot signs and lights, sidewalks, monument signs, retaining walls, fencing, landscaping, general conditions)	\$1,084,596
Total**	\$1,357,361

* The amount in each budget category is an estimate. Savings in one budget category may be applied to additional costs incurred in other budget categories.

** Excludes costs of issuance and accrued interest on obligations issued by the District to finance the CID Project.

The District may fund any portion of the costs of acquisition, design, construction, operation and maintenance of the CID Project. District Sales Tax revenues may be used to fund in part either direct costs of the CID Project or financing costs of the CID Project, or both, although it is anticipated that the District will issue obligations to finance the costs of the CID Project.

On an annual basis, the District Sales Tax revenues will be applied as follows: (a) first, to fund the on-going administrative costs of the District, the amount of which will be determined by the District’s Board of Directors in connection with the adoption of the annual budget of the District, and (b) second, to fund the costs of the CID Project or any obligations issued by the District to finance the costs of the CID Project. This formula will be applied throughout the term of the District.

The CID Act mandates that existing City services will continue to be provided within a proposed District at the same level as before the District was created (unless services are decreased throughout the City) and that any District services shall be in addition to existing City services. The Petitioner anticipates that City services will continue to be provided within the District at the same level as before the District was created, and the District will not cause the level of City services within the District to diminish. Without the additional funding provided by the District, the Petitioner would not be able to adequately develop, operate and maintain the CID Project.

D. Estimate of Costs of Services and Improvements to be Incurred

The total estimated cost of the CID Project over the initial five-year period is approximately \$1,357,361. As stated above, District Sales Tax revenues may be used to fund in part either direct costs of the CID Project or financing costs of the CID Project, or both, although it is anticipated that the District will issue obligations to finance the costs of the CID Project. It is anticipated that the Petitioner will advance costs of the CID Project and the District will reimburse Petitioner for such costs over the term of the District.

E. Anticipated Schedule

Below is a summary of the improvements, activities and services to be provided over the initial five-year period:

<u>Year</u>	<u>Improvements, Activities and Services</u>
2024	<ul style="list-style-type: none"> • Establish District • District’s Board of Directors Authorizes Imposition of District Sales Tax • District Holds Mail-In Election to Impose District Sales Tax • District Provides Financing for a Portion of the Costs of the CID Project
2025	<ul style="list-style-type: none"> • District Provides Financing for a Portion of the Costs of the CID Project • District Provides for the collection of District Sales Tax • District provides for its On-Going Administration

<u>Year</u>	<u>Improvements, Activities and Services</u>
2026	<ul style="list-style-type: none"> • District Provides Financing for a Portion of the Costs of the CID Project • District Provides for the collection of District Sales Tax • District provides for its On-Going Administration
2027	<ul style="list-style-type: none"> • District Provides Financing for a Portion of the Costs of the CID Project • District Provides for the collection of District Sales Tax • District provides for its On-Going Administration
2028	<ul style="list-style-type: none"> • District Provides Financing for a Portion of the Costs of the CID Project • District Provides for the collection of District Sales Tax • District provides for its On-Going Administration